

AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: APRIL 18, 2007

DEPARTMENT: FINANCE AND BUSINESS SERVICES**DIRECTOR: MARK R. VINCENT**☐ Consent ☒ Discussion**SUBJECT:**

RESOLUTIONS:

R-25-2007 - Public hearing and possible action regarding a Resolution authorizing the issuance and sale of Economic Development Revenue Bonds not to exceed \$75,000,000 to finance the acquisition, construction, and equipment of a project for Keep Memory Alive (KMA) to build the Lou Ruvo Brain Institute in Union Park - Ward 5 (Williams)

Fiscal Impact☒**No Impact**☐**Augmentation Required**☐**Budget Funds Available****Amount:****Funding Source:****Dept./Division:** Finance and Business Services**PURPOSE/BACKGROUND:**

These Economic Development Revenue Bonds will finance the acquisition, construction and equipment for Keep Memory Alive (KMA) to build the Lou Ruvo Brain Institute in Union Park. These bonds will not represent an indebtedness of the City and will be repaid pursuant to an agreement between the City and KMA and will be supported by an irrevocable transferable direct pay letter of credit from The Bank of New York.

RECOMMENDATION:

Staff recommends approval.

BACKUP DOCUMENTATION:

Resolution No. R-25-2007

Passed For: 0; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

None; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:

MARK VINCENT, Director of Finance and Business Services, noted that the bonds are not obligations of the City of Las Vegas, but rather of Keep Memory Alive. The City is simply the conduit for Keep Memory Alive. There are two components, one taxable for the Wolfgang Puck restaurant, resulting in about \$68.6 million in non-taxable bonds and about \$5.4 million in taxable bonds. The transaction is secured by an indenture trust with Bank of New York. Because Keep Memory Alive is such a new organization, it does not have the required five-year operating

CITY COUNCIL MEETING OF: April 18, 2007

history or the bond rating; therefore, Keep Memory Alive has worked with the Bank of New York to secure the indenture in an irrevocable letter of credit to support this transaction. All requirements of Nevada Revised Statutes have been met. This project should create about 51 permanent positions. Staff recommends approval.

MAYOR GOODMAN declared the Public Hearing open.

PETER BERNHARD, Counsel for Keep Memory Alive, noted that the local component of the group that spoke before the Senate Finance Committee consists of people who have been residents of Nevada for more years than Nevada has been a state. All the members are looking forward to the completion of this project, which will be a benchmark that will take the City of Las Vegas and the State of Nevada to a new level. The doctor leading this project chose to relocate to Las Vegas, and he brings friends with great medical and scientific credentials.

MAYOR GOODMAN noted this could be the single most important moment in the evolution of taking Las Vegas to the next level. COUNCILWOMAN WILLIAMS concurred.

EDDIE WATSON, 1624 J Street, Vice-President for NAACP, asked if jobs will be available to Ward 5 residents.

MAYOR GOODMAN declared the Public Hearing closed.

